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June 10, 2005

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Ex Parte

Federal Communications Commission  
Office of Secretary

Marlene H. Dortch - Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: Applications for Consent to Transfer Control of Filed by Verizon Communications, Inc. and MCI, Inc., WC Docket No. 05-75

Dear Ms. Dortch:

The attached letter was provided to Chairman Kevin Martin and I am respectfully requesting it be placed on the record in the above proceeding. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann D. Berkowitz".

Attachment

cc: Commissioner Martin  
Dan Gonzalez  
Michelle Carey  
Sam Feder  
Jessica Rosenworcel  
Scott Bergmann  
Jim Bird  
Julie Veach  
Marcus Maher  
Tom Navin  
Gail Cohen  
William Dever

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June 10, 2005

**BY HAND AND ECFS**

The Honorable Kevin Martin  
Chairman  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

Re: *Applications for Consent to Transfer of Control Filed by Verizon  
Communications Inc. and MCI, Inc.*, WC Docket No. 05-75

Dear Chairman Martin:

Nothing in the second round of letters by various competitors asking the Commission to "stop the clock" on its review, as well as to consolidate this proceeding with the Commission's review of the SBC/AT&T transaction, changes the fact that these requests should be denied.<sup>1</sup>

As an initial matter, these letters do not claim that our Application was somehow lacking or incomplete. Nor could they. As discussed in our response to the initial round of letters, we provided detailed and substantial evidence in support of our Application, as well as additional data in our Reply addressing the claims raised by other parties. In fact, Qwest does not dispute that our Application was complete as filed and instead asserts that the completeness of the Application "is not the point." Qwest Letter at 3.

As to the substance of our Application, the only claim in these letters that even purports to relate to the merits is the now-tired refrain that the Verizon/MCI transaction, combined with the SBC/AT&T transaction, will result in the two combined companies having "control [of] an astonishing 80% of the nation's wireline business market, more than 63% of all ILEC lines, and more than half of all wireless subscribers." Qwest Letter at 3. But the Verizon/MCI transaction will not have *any* effect on the shares of ILEC lines or wireless subscribers since MCI has neither ILEC lines nor (non-paging) wireless subscribers. And the claim that the combined companies will have an 80% share of the business market ignores the numerous domestic and foreign carriers, system integrators, equipment vendors, and application providers that compete aggressively for business customers. As we demonstrated, using both our own market analyses

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<sup>1</sup> See Letter from Brad E. Mutschelknaus, Counsel for Cbeyond Communications, et al., Christopher J. Wright, Counsel for SAVVIS Communications, and Andrew Lipman, Counsel for WilTel Communications, et al., to Kevin Martin, Chairman, FCC, WC Docket No. 05-75 (June 7, 2005); Letter from Gary Lytle, Sr. Vice President for Federal Relations, Qwest, to Kevin Martin, Chairman, FCC, WC Docket No. 05-75 (June 7, 2005).

and confirming analyses from independent analysts, in a properly defined market, the combined Verizon/MCI would have a share of large enterprise and mid-sized business revenues of roughly 16 to 22 percent. *See, e.g.*, Public Interest Statement at 22-29; Taylor Decl. ¶¶ 3-20 & Exhs. 1-2. Moreover, the two companies today compete head-to-head on only a limited basis and primarily serve different market segments: for example, as demonstrated through bid data and other evidence in our Reply, while large enterprise customers are at the core of MCI's business, Verizon is a minor player with respect to such customers. *See, e.g.*, Reply at 17-18; Bruno et al. Reply Decl. ¶ 22; McMurtrie Decl. ¶ 23.

Rather than address the merits, the parties seeking delay again focus their attention on the manner in which documents have been made available for their review. The bulk of these claims relate to SBC/AT&T, and, as we said previously, we are not in a position to address them.

The only specific claim about Verizon or MCI – Qwest's assertion that MCI "will not agree to make *any* of its documents available to us electronically" (Letter at 5) – is erroneous. In fact, Qwest's counsel already has electronic copies of *all* the documents produced by MCI other than those designated copying prohibited. And, as we noted in our prior letter, only approximately 30% of MCI's documents have been so designated, as well as about 12% of Verizon's documents.

A representative of Qwest came to the offices of MCI's outside counsel, Jenner & Block, to review the MCI documents for the first time on the afternoon of June 6. At that time, Qwest asked whether it could receive copies of those documents in electronic form. MCI then set up a conference call with the appropriate people for June 7 at 5pm to discuss this matter further with Qwest's counsel. Qwest then filed its letter with the Commission, notwithstanding it presumably knew a call to discuss the issue was scheduled later that day. During that subsequent call, MCI informed Qwest's counsel that it would provide all documents, other than those designated copying prohibited, to Qwest in searchable Portable Document Format (PDF), the same electronic format in which the materials have been presented for inspection at the office of Jenner & Block. Qwest's outside counsel received those electronic documents on a hard drive (as requested by Qwest) the next morning, June 8. Thus, MCI met its obligation under the protective orders to provide a complete set of copies within 48 hours. Verizon similarly has agreed to provide all of its documents (except those that are copying prohibited) to Qwest's outside counsel on a hard drive, as Qwest has requested.

Thus, the Commission should put an end to this letter writing campaign and reject the requests to stop the clock and to consolidate this proceeding with the review of the SBC/AT&T transaction.

Sincerely,

/s/Richard S. Whitt  
MCI

/s/Michael E. Glover  
Verizon